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MEMORANDUM

26 February 1951

TO : The Comptroller *EJL*

FROM : Finance Division

SUBJECT: Request for Increase in Table of Organization

1. In February 1950 a comprehensive Management Survey of the Finance Division was conducted for the purpose of improving procedures and to provide a Table of Organization sufficient to meet the requirements of the workload at that time. This survey was based primarily upon statistics for the month of January 1950, and the recommended increase in T/O was limited to personnel requirements as of that date. The trend toward rapid expansion was evident. However, the deficiencies were then so great that provision for estimated future requirements would have resulted in an increase in personnel which would have been difficult to absorb. The Management Staff was of the opinion that we should first obtain and train the necessary people to meet the estimated demands at that time, and took into consideration the fact that if the workload continued to increase a further adjustment in the T/O would be required by the time new positions then authorized had been filled.

2. We now have a full complement of personnel based upon the T/O approved in May 1950 and using trainees in a few instances while awaiting recruitment and security clearance in departmental positions. New procedures and techniques have been made possible resulting in more detailed and accurate records and in greater security. Generally, the records are shaping up toward those recommended in the current Audit Report. We have commenced required functions, such as pre-audit and certification of the large station accounts, and have effected or commenced mechanization of payrolls, standardization of covert agent accounts, revision of bookkeeping procedures, activation of the field inspection program, staffing of field stations with trained finance personnel, and general improvement of auditing and accounting criteria and work flow. However, this action has been possible only at the expense of chronic overtime and short cuts in other phases of work. This situation can be corrected only by the addition of personnel.

3. In order to achieve and maintain acceptable standards in the fulfillment of our responsibilities, we request an increase in our Table of Organization. This increase reflects the material addition in workload in each of our several branches and sections as a result of greatly expanded operations, the increased emphasis on security demanded by operations, and the desire for improved records. Further, as in the case of the Planning and Field Audit Branch, the increase reflects the actual requirements based upon experience data as opposed to estimated requirements prior to the organization of a unit to provide for the servicing and auditing of vendors' and contractors' accounts. We also recommend reclassification of 10 positions as noted in Appendix I. We believe the grades recommended for reclassification, as well as those recommended for new positions, are consistent with established grade levels for similar positions. The requested increase is not in proportion

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CONFIDENTIAL

CONFIDENTIAL

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to the increased workload, since a considerable saving in personnel has been effected through improved procedures, technique and training. We have recommended only those positions which we believe are absolutely necessary to carry out our functions at the present volume level. Again the trend toward increased operations is apparent, however, we are making every effort to reduce the required number of departmental employees by the training and assignment of employees to field stations and improvement of field accounts and procedures. Our present Table of Organization and that which is now recommended is shown in the attached Appendix I.

4. Specific justification for the recommended increase in T/O is offered for consideration in Appendix II attached. Basically, however, the need for increase is reflected in the greatly enlarged appropriations granted to this Agency. Much of this, insofar as the Finance Division is concerned, constitutes the addition of new functions added to former activities.

5. Along with the increase in personnel we request minor adjustments in the organization of the Finance Division as reflected in Appendix I. Principally, these are:

- (a) The establishment of two Certification and Liaison Sections and a Current Audit Section under the Certification and Liaison Branch. The value of this organization has been demonstrated in operations over the past two months.
- (b) A more efficient operation can be achieved by effecting a merger of the Allowances and Payroll Sections. There is also a need for an assistant in the office of the Chief of this Branch who would also act as a certifying officer to provide for continuity of service. This certifying officer will also be in a position to review all of the complex allowance accounts which will henceforth be computed in the Payroll Section.
- (c) The Insurance Unit and Credit Union office should be formalized as a unit of the Accounts Branch. It has been demonstrated that this service can best be rendered if the functions are placed under the Accounts Branch for administration. For this reason we recommend the establishment of an Insurance and Service Unit under the Accounts Branch. The position of Insurance Clerk was formerly under the Certification and Liaison Branch.
- (d) There is also great need in the Accounts Branch for the organization of an Accounting Section and a Records and Reports Section. The lack of these formal units has in the past created many problems of administration and other undesirable results. The functions of the Accounts Branch cannot properly be supervised without more section or unit chiefs charged with specific responsibility.

All of these recommended changes are reflected in the proposed new T/O presented in Appendix I.

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CONFIDENTIAL

6. We have not requested a change in the Field Trainee Section although there is still an urgent need to recruit and train many additional field finance officers and clerks. Within the present authorization we have recruited, trained and dispatched to the field [] finance officers and clerks, which represents an increase of more than [] over those in the field a year ago. There are still more than [] not serviced by a trained finance officer or clerk; however, the staffing of these stations must be gradual because of the difficulty in obtaining suitable cover positions. Further, at many of the smaller stations adequate coverage can be obtained by the training of clerks now stationed abroad when they are in Washington in connection with home leave or rotation. This program is proceeding satisfactorily.

7. It is our understanding that the special problems of business management of proprietary projects is now being given priority attention by the Agency. The lack of adequate provision for this function in the past has had serious repercussions in the Finance Division where, of necessity, we have attempted to assist in such matters. With the increases recommended herein the Finance Division could not approach this task on a proper basis nor could we continue assistance at the present level. However, we do not believe it is intended that this function be placed in Finance and, accordingly, have made no provision therefor.

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Acting Chief, Finance Division